[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : (a) to (d) A statement is laid on the Table of the House.

STATEMENT

(a) to (d) A Centrally Sponsored Scheme for development of the waterway between Bhadbhut and Bharuch in river Narmada at a cost of Rs. 4·93 crores was sanctioned in October, 1989 for implementation by the State Government. The scheme includes dredging the shallow areas of the waterway at a cost of Rs. 1·45 crores. The Gujarat Maritime Board had submitted consolidated proposals at an estimated cost of Rs. 91·42 crores including dredging of river Tapi, for development of inland water transport during 8th Five Year Plan. No decision has been taken on the proposal pending the finalisation of the VIII Plan.

[*Translation*]

SHRI CHHITUBHAI GAMIT : Mr. Speaker, Sir, through you, I would like to know from the hon. Minister that Narmada and Tapi, the longest rivers in Gujarat, do not look like rivers due to heavy siltation in the rivers accumulated over the years. Big cities like Surat are situated on the banks of the rivers and the environment of these cities has been adversely affected due to siltation. In view of the adverse effect on the environment, I would like to know by whether the Government of India will take a decision to launch a desiltation programme at the earliest, if so, when the decision would be taken?

[*English*]

SHRI JAGDISH TYTLER : Sir, I would like to inform the hon. Member that Narmada and Tapi rivers are among the ten waterways which have been identified for declaration as National Waterways. But the National Transport Policy Committee has not declared them as National Waterway. It is the responsibility of the State. But we have received a proposal from the State Government in September. 1989 for the development of the water, ways between Bhadbhut and Bharuch in river Narmada. For this purpose a provision of Rs. 4·93 crores has been made from the Centrally sponsored scheme. But I am sorry to say that till date nothing has been done by the State Government.

[*Translation*]

SHRI CHHITUBHAI GAMIT : Mr. Speaker, Sir, my second question is that the biggest industry has been set up and is being set up in Hazira near Surat while Surat is also a biggest industrial town. If the desilting of Narmada and Tapi rivers is undertaken, these rivers can conveniently be utilized for transportation purposes. Will the Government of India issue some specific instructions to the State Government for taking up desilting work in these rivers, so that these rivers can be utilized for water transport?

[*English*]

SHRI JAGDISH TYTLER : Sir we have two schemes—the Centrally sponsored scheme and State sponsored scheme. I would like to mention that the State Government should take this up as a Centrally sponsored scheme to which 50 per cent of the funds will be given by us. But till today, the State Government seems to be not very keen to get the work done.

6-16 **Jute Corporation of India**

*369. SHRI AJOY MUKHOPADHYAY : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government contemplate to close down the Jute Corporation of India or to curtail its operations;

(b) if so, the reasons therefor;

(c) if not, whether the Government propose to strengthen the operational machinery of the Jute Corporation of India and the details thereof; and

(d) the total quantity of raw jute procured during the current year, so far, Statewise?

[*Translation*]

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT) : (a) to (d) A statement is laid on the Table of the House.

STATEMENT

(a) No, Sir.

(b) Does not arise.

(c) The existing infrastructure of the Jute Corporation of India is sufficient to purchase the entire quantity of raw jute offered for sale in the eventuality of a fall in its prices below the minimum support levels.

(d) No raw jute has been procured by JCI so far during the 1991-92 Jute year (July 1991 to June, 1992).

[*English*]

SHRI AJOY MUKHOPADHYAY: Mr. Speaker, Sir, In the reply the hon. Minister stated that the existing infrastructure of the Jute Corporation of India is sufficient to purchase the entire quantity of raw jute offered for sale, in the eventuality of a fall in its prices below the minimum support level. But the fact is that since its inception the performance of the Jute Corporation of India is very dismal. As an example to this I may site that in 1990-91 the raw jute that was produced was to the tune of 85 lakh bales in the eleven jute-growing States But the J.C.I. has procured only 6·4. lakh bales out of this quantity. So I would like to know from the hon. Minister whether, in view of the situation, they are prepared to strengthen the operational machinery of the J.C.I.? I think it is essential.

[*Translation*]

SHRI ASHOK GEHLOT : JCI was basically set up to protect the interests of the farmers and whenever the price came down below the minimum support price, it intervened in the market to procure jute. In the last two years, JCI did not feel the need to intervene in the market because the market price was above the minimum support price. Even then, it intervened in the market as per N.J.M.C. demand for commercial operations. Even then the hon. Member has the opinion that the infrastructure of JCI has grown so much in size that it has become unable to conduct the commercial operation successfully. I would like to assure the hon. Member that the JCI is fully competent to intervene in the market to keep up the minimum support price level. As regards the strengthening of its infrastructure, I would like to tell that it is already very strong. If there is need to procure the jute at minimum support price, it will be made conveniently.

[*English*]

SHRI AJOY MUKHOPADHYAY : My second Supplementary is that when there is bumper crop and the price crashes down well below the minimum support price, the Jute Corporation can lift only 15 to 20 percent of the total market arrival of the raw jute with this limited infrastructure. That is the statistics we have gathered. So, I would like to know from the Minister (a) whether they are proposing to instruct the JCI to go in for commercial purchase of raw jute, and (b) The Jute Corporation is inhibited by various types of control from the Ministry and pre-market operations become difficult. It is the experience that whenever there is short crop, the raw jute market shows an upward curve and the Jute Corporation is very shy and it enters into the market most reluctantly without any motivation. Only 7 to 8 lakhs of bales of jute is purchased under this system. So, part (b) of my question is, what is the government contemplating to improve this state of affairs.

[*Translation*]

SHRI ASHOK GEHLOT : I have already stated that the Jute Corporation of India has a large infrastructure with about 3000 employees; while it has less work in comparison to the number of its employees. It works for only three months in a year, that too when the question of minimum support price arises. Therefore, th

Government is thinking of enlarging the scope of JCI so that the existing employees may be fully utilized. As the hon. Member has raised the issue of starting the commercial operations, I would like to inform that the issue is under consideration of the Government. Many hon. Members of the region have already met in this connection, but due to deferment of the general budget, nothing could be done in this regard. We will soon start the commercial operations.

SHRI MOHAMMAD YUNUS SALEEM : Mr. Speaker, Sir, besides West Bengal jute is also largely produced in Bihar and also in Andhra Pradesh and Orissa. A jute mill in Katihar in Bihar has been lying closed for the last 3-4 years. When I went there at the time of elections workers and labourers of the mill met me in large number and represented their case. Officials of Jute Corporation of India are not taking interest in the mill and despite the guaranteed minimum wages to the employees during the closure of the mill, they are not getting the wages. Owing to the closure of mill, thousands of people are starving because they have no other job. I would like to know from the hon. Minister as to what steps are being contemplated for reopening of the Katihar Jute Mill and for the payment of wages to the workers who are starving for the last 3-4 years due to non-payment of wages. Further the hon. Minister may please state whether it is a fact that a meeting is being arranged for reopening the closed mill in which the officials of Jute Corporation of India are also likely to participate ?

SHRI ASHOK GAHLOT : Mr. Speaker, Sir, I shall reply to the hon. Member's question regarding Katihar Mills after obtaining details about it.

SHRI BASU DEB ACHARIA : We know all about Jute Corporation of India. The minimum support price fixed by the Government is very meagre, it must be raised. The jute growers of West Bengal and Bihar are not getting even this support price because the distress sale is going on there. We are getting telegrams almost every day from the people who complain that the Jute Corporation of India has not started procurement of jute. Since the Jute Corporation of India is not coming forward for procurement of jute, the growers are compelled to go in distress sale. The farmers are selling their product under helplessness and the rates have come down. Their condition is very bad. Therefore we have raised this question in the House. If the J.C.I. does not start procurement, their conditions would further deteriorate. The problem is that the J.C.I. does not get funds from the Banks. The Minister of Finance is present here.....

MR. SPEAKER : You please ask your question.

SHRI BASU DEB ACHARIA : How can the J.C.I. start procurement of Jute if it does not get funds, this is also a question? The Minister of Textile does not state clearly what are the problems ?

MR. SPEAKER : No, it is not so.. .

SHRI BASU DEB ACHARIA : The farmers are not benefited. J.C.I. is not being financed. He should announce it immediately. So, I would like to know as to when the J.C.I. would come into the market and start procurement of jute. Only then distress sale would stop.

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, I have already said that the financial position of the J.C.I. is not in good shape. The hon. member has said that I am not stating the fact, it is not so. I would like to tell the House about this and in fact, it is well known to the hon. Member as to why the financial position of the J.C.I. has worsened.

SHRI MOHAMMAD YUNUS SALEEM : Mr. Speaker, Sir, kindly tell the hon. Minister to come prepared here. Regarding every question he continues to say that he would answer after obtaining details.

[*English*]

The Minister should come prepared for every question. He does not reply

to the question; he does not do his homework properly.

MR. SPEAKER : You should not go from general to specific and from specific to general.

[*Translation*]

SHRI ASHOK GEHLOT : Whatever the hon. Member has said just now is not proper. His question was also not relevant. That is why I had said that as far as I know the financial condition of the J.C.I. is not good. Why it is not good, I think the hon. Member knows much more than I as to how three thousand persons have been employed there. Rs. 16 crores are being paid there in the salary head only. The stock of jute worth Rs. 10 crores are lying in the Nadia Hills and in the godowns of the company. Keeping in view the sentiments of the hon. Member I went to Calcutta myself to take the stock of the situation. I met there the Chief Minister also and requested him to help in the release of jute stock of Rs. 10 crore worth lying locked in the godowns there for the last five years. Though the J.C.I. has won the court case, yet we shall not be able to release those jute stocks without Police assistance. The Banks are not ready to invest money on that jute stock which is not in good condition after five years. The Bank has closed its commercial operations regarding that. It is seeking guarantee. So we have suggested the J.C.I. to issue order for giving guarantee so that we may resume the commercial operation.

Further, I would like to say that the financial position has been deteriorated due to the budget which was presented very late. In the end of March the vote on account was passed for four months. Thereafter some funds were released. Now again we have got the vote on account for further two months. I hope that we shall get sanction soon and hence we shall be able to start that operation immediately.

[*English*]

SHRI SOMNATH CHATTERJEE Mr. Speaker, Sir, Jute Corporation of India sells raw jute to NJMC, which is a cent percent Central Government undertaking, which has got six Units. I happen to be the President of the Federation of NJMC Staff Association. They talked to me on telephone because of the urgency and I have written to the hon. Minister that no supply of jute is being made to NJMC. NJMC does not purchase jute from outside except through Jute Corporation of India.

If jute is not supplied to NJMC, the operational functioning of those six mills will come to a halt. It will have very serious repercussions. Therefore, I have requested the hon. Minister through my letter and he sent the acknowledgement. May I find out from him what steps Jute Corporation is taking to continue supply of raw jute to the Central Government jute mills?

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, through you I would like to say to the hon. Member that the situation there is very bad indeed. A sum of about Rs. 100 crore of the J.C.I. is outstanding against N.J.M.C. A vicious circle has formed there. That circle is needed to be broken. That is a government Enterprise, yet the Bank has suspended its commercial operation there due to bad situation prevailing there. The J.C.I. pressurises the N.J.M.C. to clear its arrears of Rs. 100 crores. And the N.J.M.C. is suffering from the loss of Rs. 65 crore at the turn over loss of Rs. 150 crores. How long the Government can afford to bear such situation? I wish in this regard that your government in that State, the C.P.M. government should also extend its cooperation to us.

[*English*]

SHRI SOMNATH CHATTERJEE: There is the left front government. These Government jute mills are coming to a halt because raw jut is not given to those mills. Now he says, NJ MC's financial condition is bad. There

are arrears of money due to JCI from NJMC. Because of these inter departmental transactions, should all these six jute mills run by the Central Government come to a halt? Therefore, you have to find some way out.

[*Translation*]

SHRI ASHOK GEHLOT : Hon. Speaker, Sir, I have told the reality we will take action. We will not allow them to close down.

[*English*]

SHRI ANANDGAJAPATI RAJU POOSAPATI : Mr. Speaker, Sir, in Vijayanagar district in Andhra Pradesh, an inferior variety of jute is being grown for Mesta. The support price has not been given for the commodity. Even last time in 1986-87, when there was surplus production, Jute Corporation of India did not come forward to purchase. Two years back also, the same thing happened.

I request the Minister that for this Mesta variety also, at least some kind of money can be kept aside for purchase by the JCI so that the poor farmers of the area are benefited and not the traders.

MR. SPEAKER : Do you have the information? Do you like to reply?

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, I will collect the information as it is not available with me at present.

[*English*]

SHRI CHITTA BASU : I think the hon. Minister knows the problem to a certain extent but not the entire problem.

Jute has started arriving in the market now because jute season has already commenced. Unless JCI is in the market, the price of the raw jute is going to crash. As a matter of fact, in North Bengal districts, the prices have started crashing.

Therefore, the only alternative is to see that JCI enters the market and purchases as much as possible on commercial rate. If the question of support price is there, then there will be no purchase by the JCI during this season.

May I know from the hon. Minister what immediate arrangement has been made by the Government of India in order to enable JCI to enter the market to protect the interests of the growers of Jute?

May I, in this connection, know whether NJMC, as already promised, paid an amount of Rs. 15 crores to start the purchase operation by the JCI?

May I also further know whether NJMC has placed a proposal to the Government to organise a separate cooperative agency to purchase raw jute on your behalf in place of JCI and what is the reaction of the Government to that reported proposal by the NJMC?

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, there is no such proposal received by us from NJMC. As far as the remaining proposals of hon. Member are concerned, the Government is aware of those. But I want to inform you that I have all the figures relating to decrease in prices of jute. If you wish, I will submit those figures. I don't want to take time of the House as, the prices have certainly come down during the last month. Last year the support price of jute was Rs. 375 and this year the prices of jute is in the range of Rs. 440 to 450 in North Bengal.

[*Interruptions*]

[*English*]

SHRI AMAR ROYPRADHAN : It is not the correct report.

[*Translation*]

SHRI ASHOK GEHLOT : I am talking about North Bengal. I have said that jute is available at Rs. 440 as against Rs. 375. Although prices have not come down below support price.

[*English*]

SHRI SRIKANTA JENA : The name of JCI is not heard of in Orissa. It has never started its operation in Orissa. They have never gone to the field and they have never purchased a single tonne of jute from any company.

Since the position of JCI as stated by the hon. Minister is like this, I want a definite answer from the hon. Minister whether Government are going to market through JCI in the year, 1991-92 or not.

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, I have already stated that it will go to the field and start its operation soon.

[*English*]

SHRI NIRMAL KANTI CHATTERJEE : Jute industry is a well-known field and the Finance Minister is fully aware of the problem. The industry shows loss and the trade makes the profit and, therefore, the workers are continuously threatened with retrenchment while profits have gone up in the name of trade. Majority of the jute growers are small farmers. JCI should move out into the market to purchase. It is one of our demands that the wholesale trade in such sectors should be in the hands of JCI, not only in the matter of support prices. The question is : Would the JCI move out into the market with a fixed target? Would the JCI purchase at least 60 per cent or 70 per cent or 80 per cent of raw-jute that is sold in the market? If that is done, the small and marginal farmers would be saved and the profits shared by the trading sector are denied and all the profits come to the public sector despite the wishes of Shri Chidambaram.

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, the question is the same. I have already stated about it that JCI is constituted for protecting the interests of the farmers and as regard the feelings expressed by the hon. Member, I would like to ensure that JCI will definitely protect the interests of farmers. I can't tell the figures of the moment in respect of percentage of procurement.

[*English*]

SHRIMATI GEETA MUKHERJEE : Sir, the fact is that the House Committee of Lok Sabha has decided to go in for purchase of jute carpets instead of this kind of carpet and the same can be done in respect of all the Government offices. (*Interruptions*) The entire jute products of the Jute Mills can be purchased by the JCI. Why don't the JCI go to the market now and buy the jute products? I think Manmohan Singh-ji would be happy with this proposal. Let him respond.

[*Translation*]

SHRI ASHOK GEHLOT : Mr. Speaker, Sir, the suggestion given by the member is good. It will be taken into consideration.

[*English*]

Funds for Development of National Highways in Maharashtra

*373. SHRI DHARMANNA MONDAYYA SADUL : Will the Minister of SURFACE TRANSPORT be pleased to state :

(a) whether the National Development Council at their meeting held on October 11, 1990 at Delhi inter-alia discussed the modalities in regard to release of funds to States for development of National Highways from the Central Road Fund;

(b) if so, the details thereof;

(c) the quantum of funds proposed to be released to the State of Maharashtra; and

(d) the present position regarding release of funds to the State?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : (a) No, Sir.

(b) to (d) Does not arise.